

**2011 - 2012 Seattle City Council Green Sheet****Approved**

Tab	Action	Option	Version
124	1	A	1

**Budget Action Title:** Do Pass C.B. 117009 - Seattle Department of Transportation Utility Cut Fees

**Councilmembers:** Budget Committee

**Staff Analyst:** Michael Fong

**Council Bill or Resolution:** C.B. 117009/Gray Tab 36

**Budget Committee Vote:**

Date	Result	SB	BH	SC	TR	JG	NL	RC	TB	MO
11/12/2010	Pass 9-	Y	Y	Y	Y	Y	Y	Y	Y	Y

***Budget Action description:***

C.B. 117009 (Tab 36 in the gray budget legislation notebook) would amend the Seattle Department of Transportation's (SDOT) Utility Cut Restoration Fee Schedule. These fees are charged to public and private utilities for SDOT's work to restore streets after they have been cut and opened for utility work. This legislation would increase fees by 15% above the rates last adopted in 2009 in order to bring revenues and costs in alignment and generate approximately \$1.6M in new annual revenues. Without the increase, CBO estimates that SDOT's Utility Cut Cost Center will operate at a loss of approximately \$1.4M in 2011 and \$1.8M in 2012.

**Recommended Action:** Do pass C.B. 117009

**Background:** Public and private utilities are authorized to cut into City streets to establish, maintain or upgrade their services. When this occurs, SDOT is responsible for restoring those streets after the utility work is completed. The utilities reimburse SDOT for the costs associated with that body of work. The Council approved a 13% increase in 2009. City policy is to recover the cost of restoring street surfaces as outlined in Resolution 29587. SDOT explains that without the rate increases, operating shortfalls would result from increases in the cost of labor, construction materials, equipment and administration as well as other business practice changes made by the department.